Immunocept, LLC, et al v. Fulbright & Jaworski Doc. 6

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED

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WESTERN DISTRICT OF TEXAS
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IMMUNOCEPT, LLC, PATRICE ANNE LEE, AND JAMES REESE MATSON,	§	
	§	
Plaintiffs,	§	
	§	
vs.	§	**CAUSE NO. A 05 CA 334 SS**
	§	
FULBRIGHT & JAWORSKI, LLP,	§	
	§	
Defendant.	§	

PLAINTIFFS' OPPOSITION TO DEFENDANT'S MOTION TO EXCLUDE THE TESTIMONY OF ALAN MACPHERSON

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I
INTRODUCTION

In this patent malpractice case, plaintiff Immunocept has alleged that defendant Fulbright and Jaworksi ("F&J") negligently prosecuted a patent that was intended to cover a new approach for treating sepsis. Immunocept has called on Alan MacPherson, an expert in patent law, to explain why the written record demonstrates that the patent was carelessly and unnecessarily narrowed. In the current motion, F&J seeks to exclude Mr. MacPherson's testimony because he refused to speculate on what the patent Examiner may have thought while handling Immunocept's patent application. This motion should be denied because unlike F&J's expert,[1] Mr. MacPherson does not need to speculate to reach his opinions. Instead, he can and does rely on the written record to explain why the patent issued and how F&J should have conducted the prosecution of Immunocept's patent.

F&J has also asked the Court to exclude Mr. MacPherson's from testifying on gross negligence. However, F&J fails to appreciate the scope of Mr. MacPherson's testimony. His report did not contain any *ultimate conclusion* regarding gross negligence and Immunocept does not intend to offer him for that purpose. Instead, Mr. MacPherson will provide foundational testimony that together with other evidence introduced at trial will allow the jury to conclude that F&J was grossly negligent. Both his report and deposition testimony addressed these issues.

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[1] Immunocept filed its own motion on 2/13/06 to exclude defendant's patent expert, John Kirk, because he speculates about the Examiner's thoughts, even though he admits that the written record contains no evidence supporting his conclusion.

II
FACTUAL BACKGROUND

In the 1990s, plaintiffs Drs. James Matson and Patrice Lee developed large pore hemofiltration technology for the treatment for sepsis, a condition that kills hundreds of thousands of people each year in the United States. As a startup company, Immunocept asked defendant F&J to protect its large pore hemofiltration technology by applying for a patent. When the original attorney handling the matter quit the firm, F&J reassigned the application to Sarah Brashears, a junior associate a few months out of law school whose only formal patent training was a patent review course.

During prosecution of the application that issued as the '418 patent, Ms. Brashears amended the original language in the claims to include the restrictive transitional phrase "consisting of" instead of the open "comprising" language. This mistake lies at the core of plaintiffs' malpractice complaint. The term "consisting of" limits a method claim so that the claim *only* covers the recited step(s) in the claim. *See*, Manual of Patent Examining Procedure ("MPEP") at § 2111.03 (Rev. 1 Feb. 2003), attached as Exhibit D; Chisum On Patents (Release 82 March 2002) at 8.06[1][b][ii][B], attached as Exhibit E. Thus, a competitor could design around a claim containing the transitional phrase "consisting of" by simply adding a step to the claimed method. For example, if a claim recited a method for washing a car "consisting of" (a) applying soap, and (b) rinsing the car, a method that adds the step of waxing the car to steps (a) and (b) would not be covered by this claim. In contrast, a method claim that uses the transitional phrase "comprising" would cover the step(s) recited in the claim *and* any additional steps that a competitor might add. *See*, MPEP § 2111.03; Chisum at §8.06[1][b][ii][A] and [B], attached as Exhibit E. In the car washing example, the additional step of waxing would be covered by the claim.

Only a few months after taking the Patent Bar Exam, Ms. Brashears filed an application that ultimately issued as U.S. Patent No. 5,571,418 ("the '418 patent"). In claim 2 (a dependent claim) of this application, Ms. Brashears used the restrictive transitional phrase "consists of." During her deposition Ms. Brashears was asked why she used "consists of" instead of "comprising" in this dependent claim – her response was "I don't remember" (Brashears Dep. at 60, attached as Exhibit B). The written record shows that Ms. Brashears copied this language verbatim from a May 4, 1994 memo from Dr. Lee. This despite the facts that Dr. Lee is not a patent attorney and that in the May 4, 1994 memo Dr. Lee explicitly asked Ms. Brashears to "*Please change* [the claims that Dr. Lee had drafted] *to appropriate legal language*." On January 12, 1996, Ms. Brashears filed a document with the Patent Office in which claim 1 was amended to include the restrictive transitional phrase "consisting of." The restrictive transitional phrases "consisting of" and "consists of" are now included in claims 1 and 2 of the issued '418 patent.

F&J has no explanation for why "consists of" was used in claim 2; but in a *post hoc* attempt to justify the later addition of "consisting of" to claim 1, F&J argues that this restrictive language was the only practical way to distinguish the '418 patent over the prior art Nośe reference. In both his expert report and deposition testimony, Alan MacPherson rebuts F&J's *post hoc* justification by explaining that the *written record* (including the arguments Ms. Brashears actually advanced to the Examiner) does not reflect that Ms. Brashears relied on "consisting of" to distinguish claim 1 from Nośe, nor did the Examiner rely on "consisting of" to allow claim 1 over Nośe. Instead, Mr. MacPherson explains that the *written record* demonstrates that Nośe was actually distinguished because it did not disclose the pore size limitation found in claim 1. Additionally, he explains that Ms. Brashears could have used other claim limitations to properly distinguish claim 1 from Nośe without using the term "consisting of," which narrows the scope of the claim so much that even minor additions to the claimed method would avoid infringement.

III
LEGAL ANALYSIS

A. MacPherson's Opinion On What Actually Happened Is Based On The Written Record, Not on Speculation.

In his deposition, Mr. MacPhersons refused to speculate on what thoughts the Examiner might have had that were not reflected in the written record. Instead, he relied on the written record, which is clear and unambiguous. In the first prong of F&J's three part motion, F&J uses this testimony together with Mr. MacPherson's testimony that F&J's explanation is unsupported by the written record to suggest that Mr. MacPherson cannot comment on F&J's explanation.

F&J's motion cites to testimony that merely shows that Mr. MacPherson is unwillingly to speculate on events that are unsupported by the written record. Each quotation that defendant selected merely emphasizes this point. For example, the defendant relied on the following passages:

> A. I don't see in the file history where the examiner relied on the phrase "consisting of" to issue the patent claim. (Defendant's Motion at 3; MacPherson at 64:12-15, attached as Exhibit C).
>
> A. I can't speculate as to what was in the examiner's minding [sic]. But generally the proceedings of the patent office are in writing and the examiner puts down the reasons or sets forth the reasons for allowance. In this case he did not rely on "consisting of" for the purpose of the allowance. (Defendant's Motion at 3; MacPherson at 6:13-15, attached as Exhibit C).
>
> A. I don't speculate on what the examiner's reasons were except to the extent that he puts them in writing; then I rely on what he says in writing. (Defendant's Motion at 4; MacPherson at 65:14-16, attached as Exhibit C.
>
> Q. . . . You are not going to rely on anything other than the written record for what the Patent and Trademark Office did or did not rely on for not issuing claims?
>
> A. In general, yes unless there is some other document that comes forth that sets for(sic) the basis for the examiner's allowance, which is other than in the written record in the patent office. (Defendant's Motion at 4; MacPherson at 64:20-65:3, attached as Exhibit C.

Rather than making his testimony unreliable, Mr. MacPherson's refusal to speculate without some written record is consistent with the policies of the United States Patent Office.[2]

Indeed, Mr. MacPherson's approach makes his testimony more reliable, not less so. F&J's motion ignores the *written evidence* that Mr. MacPherson actually relied on to support his opinion. Specifically, the MacPherson report at ¶ 13 relies upon the April 16, 1995 Final Office Action and the May 1, 1996 letter from Brashears to Lee.

> In reviewing the references cited in the September 12, 1995 Office Action, it is clear that the main argument for allowability of claim 1 (amended) is based on the "molecular weight exclusion limit of about 100,000 to 150,000 Daltons" recited in Claim 1. As confirmed by both the Examiner in the April 16, 1996 Final Office Action and Ms. Brashears in her letter to Dr. Lee dated May 1, 1996, this argument was not only relied upon, it actually overcame the rejection based on Nosé et al. as well as the rejection based on Okamoto et al. (footnotes omitted).

Mr. MacPherson emphasized this very point during his testimony.

> A. Again, my opinion is that the patent was issued because of distinctions that were put forth in *writing* to the patent office, and no other reason involving, for instance, some supposed consideration by the examiner of this phrase "consisting of." MacPherson at 103, attached as Exhibit C (emphasis added).

Mr. MacPherson's testimony is reliable and admissible because there is ample written evidence supporting Mr. MacPherson's explanation for why claim 1 was allowed over Nośe; specifically, claim 1 has a pore size limitation that is not disclosed by Nośe . Therefore,.

B. Mr. MacPherson's Testimony Explains How Ms. Brashears Should Have Prosecuted the Patent And Is Based on the Reference and the Claims.

In the second part of its proposed order, F&J asks the Court to exclude Mr. MacPherson from providing his opinions on the proper arguments F&J should have used to distinguish claim

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[2] 37 CFR §1.2: Business to be transacted in writing.
All business with the Patent and Trademark Office should be transacted in writing. . . . The action of the Patent and Trademark Office will be based exclusively on the written record in the Office. No attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt. . . ..

1 from the Nośe reference. F&J, however, misconstrues the issue, and consequently, has asked for inappropriate relief.

F&J argues that MacPherson's testimony should be limited, "as it is not his place to speculate as to what arguments or amendments would have led the Examiner to issue the '418 without the 'consisting of' language, or as to what language the Examiner would have permitted in the '418." (Motion at p. 9). F&J appears to treat this is an exercise in anticipating what this particular Examiner might have done in other circumstances, requiring subjective insight into the workings of one individual's mind. That is not the case here. The pertinent inquiry, of course, is whether different amendments or arguments would have been legally proper and sufficient to distinguish the prior art. That inquiry is an objective one, based upon the principles of patent law, and wholly independent of any one Examiner's subjective thinking.

Mr. MacPherson is eminently qualified to testify as to what amendments or arguments would suffice to provide a patentable distinction over the prior art under 35 U.S.C. Sections 102 and 103, and such testimony is anything but speculative. It deals with technical facts and legal principles, not with a subjective prediction of an Examiner's mental state. It would be pointless and irrelevant to worry, as F&J suggests, about whether this particular Examiner would have properly followed the law and "permitted" a patent of broader scope to issue; indeed, if he did not, the Board of Patent Appeals within the Patent and Trademark Office and the Federal Circuit stand ready to correct any such errors. Rather than speculate as what this Examiner might be inclined to do, Mr. MacPherson will testify as to plaintiff's clear legal entitlement to broader claim coverage.

Thus, F&J's prayer that Mr. MacPherson be foreclosed from expressing opinions regarding "what alternative hypothetical claims wording the PTO Examiner would have allowed" is off base. (Motion at p. 10; Proposed Order at p. 1). Mr. MacPherson should be allowed to testify as to what hypothetical claims *would be patentable under the properly applied objective legal standards.* Indeed, that is the very heart of proper expert testimony in a legal malpractice claim.

Moreover, even if F&J's framing of the issue were correct, no adequate basis for the requested relief has been shown. The only identifiable argument F&J relies upon is that Mr. MacPherson refused to "handicap" or "guarantee" the success of these arguments (Defendant's Motion at p. 9). However, Mr. MacPherson did testify that his recommended arguments would result in the issuance of claim 1.

> Q. Are you – can you say with any degree of certainty that if the "consisting of" language had not been added that the patent would certainly have issued?
> A. Oh, I think it would have.
> Q. And what do you base that?
> A. On the grounds that the distinctions that were drawn with the pore size of the filter. And I think there some other limitations even that could be used to distinguish the claim over the prior art. (MacPherson at 102:1-10, attached as Exhibit C).

The fact that MacPherson would not "handicap" or "guarantee" the success of these arguments simply go to weight not admissibility, and indeed renders his opinion more credible and reliable.

C. Plaintiffs Only Offers Mr. MacPherson To Provide The Foundation For Gross Negligence.

In the third part of its motion, F&J requests that Mr. MacPherson be excluded from testifying about gross negligence. To the extent that the motion merely seeks to prevent Mr. MacPherson from testifying about the ultimate conclusion of gross negligence, there is no dispute. Plaintiffs did not ask Mr. MacPherson to provide any conclusion on gross negligence in his expert report nor do they intend to ask Mr. MacPherson to testify about the ultimate conclusion of gross negligence.

However, plaintiffs do intend to ask Mr. MacPherson questions that will lay a foundation for the jury to find gross negligence. Mr. MacPherson's expert report and testimony discuss, among other issues: the appropriate language to use when drafting claims (*e.g.* MacPherson at 28:15-21, 38:13-21, attached as Exhibit C); why an attorney should draft broad claims (*e.g.* MacPherson); the impact of narrow claims (*e.g.* MacPherson 25:12-16, attached as Exhibit C), patent attorneys' duty with respect to clients (e.g. MacPherson at 108:10-24, attached as Exhibit C); the appropriate standard of care used to supervise attorneys (*e.g.* MacPherson 89:17-24, attached as Exhibit C); how design around options can adversely impact clients (*e.g.* MacPherson 145:21-146:12, attached as Exhibit C) as well as the utter lack of any supervision by F&J of this young and inexperienced lawyer (e.g. MacPherson 88:12-23, attached as Exhibit C). These issues are all relevant to the defendant's gross negligence in prosecuting the '418 patent.

IV
CONCLUSION

The first part of defendant's motion should be denied because Mr. MacPherson relies on the written record to explain why the '418 patent was allowed. There is no need to speculate on the Examiner's thoughts, and Mr. MacPherson's refusal to do so is entirely proper. The second part of defendant's motion should be denied because Mr. MacPherson's testimony concerns how a reasonable patent attorney should have conducted the prosecution of the '418 patent, not whether a specific patent Examiner might have arbitrarily rejected well-founded arguments. Finally, the third part of defendant's motion should be denied to the extent it seeks to preclude Mr. MacPherson from laying a factual foundation for gross negligence. These issues were identified and discussed in both Mr. MacPherson's report and testimony.

Respectfully submitted,

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CERTIFICATE OF SERVICE

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AUSTIN DIVISION

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Civil Case No. A:05-CA-334 SS

Immunocept LLC et al.

VS.

Fulbright & Jaworski, LLP

Attachments to Document #: 60

Description: Plaintiffs' Opposition to Defendant's Motion to Exclude the Testimony of Alan Macpherson

File Date: February 27, 2006

Prepared by: dm

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